

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF BIG SANDY RURAL )  
ELECTRIC COOPERATIVE CORPORATION FOR )  
AUTHORITY TO EXECUTE ITS NOTE TO THE )  
NATIONAL RURAL UTILITIES COOPERATIVE )  
FINANCE CORPORATION IN THE AMOUNT OF )  
\$812,371 AND FOR AUTHORITY TO EXECUTE ) CASE NO. 92-066  
A LOAN AGREEMENT BETWEEN BIG SANDY RURAL )  
ELECTRIC COOPERATIVE CORPORATION AND )  
NATIONAL RURAL UTILITIES COOPERATIVE )  
FINANCE CORPORATION AND FOR A CERTIFICATE )  
OF CONVENIENCE AND NECESSITY )

O R D E R

IT IS ORDERED that Big Sandy Rural Electric Cooperative Corporation ("Big Sandy") shall file the original and six copies of the following information with the Commission, with a copy to all parties of record, within seven days of the date of this Order. If the information cannot be provided by this date, Big Sandy should submit a motion for an extension of time stating the reason a delay is necessary and include a date by which it will be furnished. Such motion will be considered by the Commission. Big Sandy shall furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each item of information requested.

1. Refer to Big Sandy's response to the Commission's Order of April 6, 1992, Items 2 and 3. Big Sandy's response failed to provide the debt service requirements (including annual principal and interest payments) for the National Rural Utilities

Cooperative Finance Corporation ("CFC") options. Provide this analysis. Include all assumptions and calculations used in this analysis. Provide an amortization schedule for each option.

2. Refer to Big Sandy's response to the Commission's Order of April 6, 1992, Item 5.

a. Provide a discussion of Big Sandy's analysis of the available CFC loan programs.

b. If the advance of funds from the proposed loan were made by the date of its response to this Order, identify which loan option which Big Sandy would select and explain why this option is the most desirable. Include with this explanation the results of any economic studies or analysis used by big Sandy to make its selection.

3. Refer to Big Sandy's response to the Commission's Order of April 6, 1992, Item 6(a).

a. Provide a copy of the proposed loan agreement with CFC.

b. State the amount of CFC Capital Term Certificates which Big Sandy will be required to purchase.

4. Refer to Big Sandy's response to the Commission's Order of April 6, 1992, Item 9(a). State the interest rate to be paid if Big Sandy obtained financing from Federal Financing Bank instead of the Rural Electrification Administration.

5. Page 4 of Big Sandy's 1990-1992 Work Plan states: "Total expenditures for the period of this Work Plan are estimated at \$2,155,915." Page 4 of 4 of Exhibit 27 to Big Sandy's

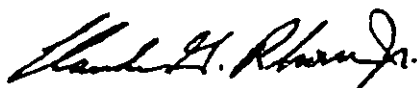
Application, however, indicates that total expenditures for the period will be \$2,626,413. Explain the discrepancy.

Done at Frankfort, Kentucky, this 29th day of April, 1992.

PUBLIC SERVICE COMMISSION

  
For the Commission

ATTEST:



Executive Director, Acting